



REQUEST FOR COUNCIL ACTION

MEETING DATE: January 3, 2023
PREPARED BY: Greg Sticha, Finance Director
AGENDA ITEM: Designation of Official Depositories

PREVIOUS ACTIONS:

None

RECOMMENDED COUNCIL ACTION:

Motion to authorize the Finance Director to designate depositories and make investments, as authorized by Minnesota Statute 118A.01 to 118A.06. The following will be the designations of official depositories for City Funds.

Checking Accounts for City, Payroll, Utility Billing, Credit Cards, Woodland Mounds, Park Board, scattered site homes and Sunshine Fund – U.S. Bank
Purchasing Card – U.S. Bank
Credit Card Processing – Chase Paymentech, Invoice Cloud, Card Connect
Investments – U.S. Bank, Wells Fargo, PMA, Nuveen Asset Management, Galliard Capital Management, and Mercer

COMMENTS:

The City has used U.S. Bank and the 4M Fund for a number of years for many of its checking money market accounts. The City established a Purchasing Card program with U.S. Bank in 1997. Our Purchasing Card program has increased to where it qualifies for a rebate of over \$10,000 annually. The City offers its residents and customers the option to make payments via credit cards. The City's credit card process is handled by Chase Paymentech, Invoice Cloud and Card Connect.

The staff recommendation is to designate U.S. Bank as the official depository for all City funds along with purchasing card and credit card services. The League of Minnesota Cities has a money market fund (the 4M Fund) that has been in existence since 1987. The 4M Fund is used extensively by Minnesota Cities for cash management. The City will receive free checking services and the accounts will be swept daily and earn an above average interest rate.